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<b>Report To:</b>	<b>Inverclyde Integration Joint Board</b>	<b>Date:</b> 12 September 2017
<b>Report By:</b>	<b>Louise Long Corporate Director (Chief Officer) Inverclyde Health &amp; Social Care Partnership</b>	<b>Report No:</b> IJB/51/2017/LA
<b>Contact Officer:</b>	<b>Lesley Aird</b>	<b>Contact No:</b> 01475 715381
<b>Subject:</b>	<b>INVERCLYDE IJB BUDGET 2017/18 AND 2016/17 OUTTURN</b>	

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## 1.0 PURPOSE

- 1.1 The purpose of this report is to agree the final budget for the Inverclyde Integration Joint Board (IJB) for 2017/18 in line with the Strategic Plan.

## 2.0 SUMMARY

- 2.1 In March the IJB considered and approved an Interim Indicative Budget for 2017/18. As part of this the IJB accepted the funding settlement from Inverclyde Council of £47.380m and noted that at that time the Health Board budget had not been finalised. The Health Board has now confirmed funding of £96.904m for the Inverclyde IJB for 2017/18.
- 2.2 The settlement for Health Boards included a 1.5% uplift with the £107m top-sliced for Integration Authorities to support continued delivery of the Living Wage, sustainability in the care sector, disregarding the value of war pensions from financial assessments for social care and pre-implementation work in respect of the new carers' legislation.
- 2.3 The settlement stated that "*NHS contributions to Integration Authorities for delegated health functions **will be maintained at least at 2016/17 cash levels.***"
- 2.4 There were cost pressures within both the Social Care and Health services which are not funded by the settlements from the Council or Health Board. Some of these are funded through decisions already taken by the IJB in respect of the Social Care Fund (SCF), others have required to be funded through the 2017/18 savings programme which is detailed in this report.
- 2.5 Health Budget pressure estimates have reduced by £0.594m to £0.927m since the Indicative Budget was agreed, primarily linked to a reduction in anticipated Prescribing Budget pressures. The previously agreed savings, £1.326m, have also been reviewed and updated for any changes in deliverability. A revised list is now enclosed for consideration and approval. The revised savings proposals total £1.165m for full year effect (£0.161m less than in the Indicative budget). This is higher than the £0.927m required to fund pressures but the part year delivery of these is expected to be only £0.595m with the balance of £0.332m funded from Earmarked Reserves as agreed in March. The overall full year balance will help

toward future year savings plans.

- 2.6 One of the issues in agreeing the Indicative budget was around a carried forward partnership saving from 2015/16. The total budget pressure was £3.6m to be split across the 6 IJBs. Further discussions have taken place and an indicative solution has been agreed by officers for 2017/18.
- 2.7 Mental Health Inpatients has been a risk area within the IJB budget since the IJB was formed. There are ongoing discussions around the prospect of Inpatients becoming a hosted service. This will remain a significant area of financial risk for the IJB until it is resolved and will be monitored closely until that time.
- 2.8 The Set Aside budget for 2017/18 has been maintained at the indicative 2016/17 level of £16.439m.
- 2.9 At the year-end the IJB reported a surplus of £3.960m which was carried forward into Earmarked Reserves for use in future years. A breakdown of this is provided within this report.

### **3.0 RECOMMENDATIONS**

- 3.1 It is recommended that the Integration Joint Board:
  1. Notes the contents of this report;
  2. Accepts the proposed funding from Greater Glasgow & Clyde (GG&C) Health Board of £96.904m;
  3. Approves the revised proposed Health savings enclosed at Appendix B7 and notes the anticipated timing delay in delivery of these savings;
  4. Notes the ongoing discussions and continued budget risk around Mental Health Inpatients;
  5. Agrees indicative net revenue budgets of £53.709m to Inverclyde Council and £96.494m, including the “set aside” budget to NHS Greater Glasgow and Clyde and the Inverclyde share of Hosted Services and direct that this funding is spent in line with the Strategic Plan;
  6. Authorises officers to issue related Directions to the Health Board and Council;
  7. Notes the agreed use of the Social Care Fund allocation for 2017/18;
  8. Notes the year-end outturn and reserves position at the year-end, and
  9. Notes the ongoing work in relation to the “set aside” budget and services.

**Louise Long**  
**Corporate Director (Chief Officer)**

**Lesley Aird**  
**Chief Financial Officer**

## 4.0 BACKGROUND

- 4.1 From 1 April 2016 the Health Board and Council delegated functions and are making payments to the IJB in respect of those functions as set out in the integration scheme. The Health Board also “set aside” an amount in respect of large hospital functions covered by the integration scheme.
- 4.2 The IJB makes decisions on integrated services based on the strategic plan and the budget delegated to it. Now that the resources to be delegated have been proposed, the IJB can set an indicative 2017/18 budget, give directions and make payment where relevant to the Health Board and Local Authority for delivery of the services in line with the Strategic Plan.
- 4.3 Appendix A1 contains a copy of the 2017/18 Financial Allocation letter received from GG&C Health Board on 15<sup>th</sup> August.

## 5.0 CHANGES FROM THE AGREED INDICATIVE BUDGET FOR 2017/18

- 5.1 The proposed 2017/18 budget is detailed in Appendices B1-B10. There are no changes proposed to the Social Care budget or anticipated funding from Inverclyde Council for 2017/18.
- 5.2 Health Board funding has now been confirmed at £96.904m for 2017/18. This includes £16.439m for Set Aside. It does not include an amount for the net effect of services hosted by Inverclyde on behalf of other IJBs or services hosted for Inverclyde by other IJBs. These costs need to be captured to reflect the full cost of providing services for the people of Inverclyde even though the budgets don't necessarily sit within the Inverclyde IJB. The net hosted services budget for Inverclyde is an additional £5.919m bringing the total Inverclyde Health spend to £102.823m.
- 5.3 Estimated Budget Pressures  
The Indicative Budget estimated total budget pressures of £1.522m. This has now reduced to £0.927m. The budget pressures are detailed in Appendix B6. Movements in estimated pressure are detailed below:

	Original Estimate £000	Revised Estimate £000	Difference £000
Pay Award, Apprentice Levy, Pension Auto Enrol	365.3	318.3	47.0
Resource Transfer increase (see corresponding change in savings)	159.1	50.0	109.1
Prescribing Uplift	611.7	122.0	489.7
Continuing Care Beds	0.0	44.0	(44.0)
C/fwd 15/16 Partnership Saving	255.7	263.0	(7.3)
<b>TOTAL</b>			<b>594.5</b>

## 5.4 Revised Savings Proposals

The Indicative Budget agreed a package of 2017/18 Health Savings totalling £1.326m for the full year. A revised list of savings is attached based on current information regarding service demands and the deliverability of the savings. Movements in the full year saving value are detailed below:

	Original FY Proposal £000	Revised FY Proposal £000	Difference £000
H17-026 MH Inpatients – delay in planned changes and reduction in overall saving	74.0	61.6	12.4

value anticipated			
H17-031 Business Support – part of saving required to be used for 16/17 revised savings package as per June budget update report	79.0	39.0	40.0
H18-001 – Resource Transfer uplift capped at £50k – see corresponding movement in pressures above	109.1	0	109.1
<b>TOTAL</b>			<b>161.5</b>

This leaves a total savings value of £1.165m which is £0.237m higher than the updated budget pressures for 2017/18. It is proposed that the savings remain in place to partially offset anticipated budget pressures for 2018/19.

- 5.5 The part year impact has also been updated for the previously approved savings to reflect current progress on savings delivery. The outcome of this is that the cash shortfall due to timing of the savings, which was previously £0.619m is now £0.332m. It was previously agreed that any cash shortfall in savings delivery due to the timing of implementing savings will be funded from funds set aside within the Social Care Fund and carried forward through Earmarked Reserves.
- 5.6 The most significant variances in terms of the part year impact relate to:
- H17-021 Remodelling of the School Nursing Service.  
The saving of £0.176m was originally due to be delivered by September but this project is being run on a GG&C wide basis, led now by East Dunbartonshire IJB. It is not progressing in line with original timing expectations. The Inverclyde savings release timeline has therefore been revised and it is now not expected to release any cash savings within the current financial year. Further updates will be brought to the IJB once more information is available.
  - H17-029 PMI team review  
This review is expected to take slightly longer than originally anticipated to complete with delivery now anticipated from 31/12/17.

## **6.0 2015/16 CARRY FORWARD PARTNERSHIP SAVINGS**

- 6.1 There was ongoing debate in relation to the Board's proposal that partnerships should fund the carried forward £7.8m on savings undelivered from 2015/16. Following the February Health Board meeting it was agreed to reduce this £7.8m to £3.6m with the Health Board covering the remainder. All six IJBs subsequently made representations to the Health Board regarding this £3.6m.
- 6.2 Recognising the importance of both finding a pragmatic solution for the £3.6m and the importance of partnership working going forward officers from IJBs and the Health Board have discussed the issue at length and agreed that, subject to IJB approval, each IJB will fund its proportionate share of the £3.6m unallocated saving target on a one off basis during 2017/18, to promote partnership working. This non-recurring funding, to a maximum of £3.6m, will be on the basis of a recharge and not a budget reduction. This ensures that the 2017/18 budget for the IJBs is compliant with the Scottish Government settlement. It should also be noted that this is a maximum contribution towards the pressures within unscheduled care recognising that IJBs have strategic planning responsibility.
- 6.3 Inverclyde's share of the £3.6m is £0.263m. This has already been included in our budget planning assumptions and agreed savings plans and is included within this budget proposal paper.
- 6.4 This interim arrangement around the £3.6m will allow a short period of time to work towards a recurring solution, focusing on the development and conclusion of the mechanism for the set aside budget. This approach has been agreed with the Scottish Government and requires a rapid and focused action plan to be developed and delivered over the coming months in conjunction with Chief

Officers, NHSGGC Director of Finance, Chief Finance Officers and Scottish Government.

## 7.0 MENTAL HEALTH INPATIENTS

- 7.1 Mental Health Inpatients has been a risk area within the IJB budget since the IJB was formed. The IJB inherited a £1.2m budget pressure around this area which had been funded non recurrently for 2015/16 and again in 2016/17. Staff within this area have succeeded in bringing the underlying budget pressure down to around £0.950m during 2016/17 but it remains a budget pressure and risk for the IJB. The remaining budget pressure is primarily linked to unfunded enhanced observations, the majority of which are for non Inverclyde patients.
- 7.2 There are ongoing discussions around the prospect of Inpatients becoming a hosted service. On this basis it is proposed that the IJB work with the Health Board to agree a continued interim funding arrangement for this service until discussions are finalised regarding the hosted service. This will remain an area of financial risk for the IJB until it is resolved and will be monitored closely until that time.
- 7.3 The new Orchard View facility has now opened and End Point funding from the Health Board is still being finalised. This may have an impact on the overall position for this budget. Further updates will be provided throughout the year. The net budget direction to the Health Board may be updated during the year.

## 8.0 SOCIAL CARE FUNDING (SCF)

- 8.1 The Social Care Fund is funding provided by the Scottish Government, paid through Health Boards, to support the development of IJBs and specifically make progress on charging thresholds for all non-residential services, to address poverty and introduce the living wage for all social care workers as a key step to improving the quality of social care. For 2017/18 Inverclyde is due to receive £6.329m in respect of this fund (£4.449m for 2016/17).
- 8.2 This budget has been fully allocated for 2017/18 and is detailed in Appendix B9. Any underspend on the Social Care Fund during the year will be carried forward into IJB reserves.

## 9.0 YEAR-END OUTTURN 2016/17 AND EARMARKED RESERVES

- 9.1 At the year-end the IJB reported an underspend of £3.960m. This was made up as follows:

	£000
Balance of funds remaining on Earmarked Reserves transferred to the IJB in year	1,541
SCF Projects agreed in 2016/17 with expenditure spanning more than one year	985
SCF unallocated / underspend 2016/17	316
New Ways Funding carry forward	220
Underspend on Children & Families taken to Earmarked Reserves	376
Underspend on Children & Families	155
Underspend on Older People mainly due to delays in filling of vacancies and one off income	276
Overspend on Learning Disabilities due mainly to move to Redholm	(87)
Overspend on Physical Disability client packages	(63)
Other services savings through delay in filling of vacancies	144
Other services various minor underspends	39
Other services savings on client packages	152
Homelessness overspend to increase bad debt provision	(94)
<b>Surplus on Provision of Services</b>	<b>3,960</b>

The full £3.960m has been carried forward into Earmarked Reserves which are

detailed in Appendix B10.

## 10.0 IMPLICATIONS

### 10.1 FINANCE

The IJB is being asked to set its 2017/18 budget at this stage in line with the recommendations above.

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report £000	Virement From	Other Comments
N/A					

Annually Recurring Costs / (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact £000	Virement From	Other Comments
N/A					

### LEGAL

10.2 There are no specific legal implications arising from this report.

### HUMAN RESOURCES

10.3 There are no specific human resources implications arising from this report.

### EQUALITIES

10.4 There are no equality issues within this report.

10.4.1 Has an Equality Impact Assessment been carried out?

YES	(see attached appendix)
√	NO – This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required.

10.4.2 How does this report address our Equality Outcomes

There are no Equalities Outcomes implications within this report.

Equalities Outcome	Implications
People, including individuals from the above protected characteristic groups, can access HSCP services.	None
Discrimination faced by people covered by the protected characteristics across HSCP services is reduced if not eliminated.	None

People with protected characteristics feel safe within their communities.	None
People with protected characteristics feel included in the planning and developing of services.	None
HSCP staff understand the needs of people with different protected characteristic and promote diversity in the work that they do.	None
Opportunities to support Learning Disability service users experiencing gender based violence are maximised.	None
Positive attitudes towards the resettled refugee community in Inverclyde are promoted.	None

## 10.5 CLINICAL OR CARE GOVERNANCE IMPLICATIONS

There are no governance issues within this report.

## 10.6 NATIONAL WELLBEING OUTCOMES

How does this report support delivery of the National Wellbeing Outcomes

There are no National Wellbeing Outcomes implications within this report.

<b>National Wellbeing Outcome</b>	<b>Implications</b>
People are able to look after and improve their own health and wellbeing and live in good health for longer.	None
People, including those with disabilities or long term conditions or who are frail are able to live, as far as reasonably practicable, independently and at home or in a homely setting in their community	None
People who use health and social care services have positive experiences of those services, and have their dignity respected.	None
Health and social care services are centred on helping to maintain or improve the quality of life of people who use those services.	None
Health and social care services contribute to reducing health inequalities.	None
People who provide unpaid care are supported to look after their own health and wellbeing, including reducing any negative impact of their caring role on their own health and wellbeing.	None
People using health and social care services are safe from harm.	None
People who work in health and social care services feel engaged with the work they do and are supported to continuously improve the information, support, care and treatment they provide.	None
Resources are used effectively in the provision of health and social care services.	Development of a robust budget and effective budget management can ensure that resources are used effectively

## **11.0 CONSULTATION**

11.1 This report has been prepared by the IJB Chief Financial Officer. The Chief Officer, the Council's Chief Financial Officer and Director of Finance NHSGGC have been consulted.

## **12.0 BACKGROUND PAPERS**

12.1 None.



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Date: 15<sup>th</sup> August 2017  
Our Ref: JH/BOB  
Enquiries to: James Hobson  
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Dear Louise

**2017/18 Financial Allocation to Inverclyde Health and Social Care Partnership**

Further to previous correspondence from Robert Calderwood and following recent correspondence between the Board's Director of Finance with Chief Officers and my subsequent discussions with Chief Finance Officers, I am writing to you with an updated budget proposal for 2017/18.

The annual allocation from the Board to the Health and Social Care Partnership (HSCP) for 2017/18 is set out in the schedule that accompanies this letter.

The Scottish Government letter to the Accountable Officer for NHS Greater Glasgow and Clyde has advised that for 2017/18 the Board's expenditure on services delegated to HSCPs should be maintained at least at 2016/17 levels, therefore 2017/18 allocations to HSCPs will remain at the value of the 2016/17 closing recurring base budget supplemented by any specific 2017/18 non recurring allocations from Scottish Government and adjusted for any agreed budget transfers between HSCPs and other service areas.

GP Prescribing budgets have now been finalised for 2017/18 and will be set at the overall value of the 2016/17 month 12 budget. Discussions between Chief Finance Officers have agreed some redistribution of funding between individual HSCPs and this is reflected in the proposed allocation. At a meeting with Chief Officers on 17 January it was agreed that the current arrangements for management of the prescribing budget would continue in 2017/18 where the Board continues to manage the budget collectively on behalf of all partnerships. This includes continuation of the "risk sharing agreement" whereby the Board will absorb any overall overspend within prescribing budgets.

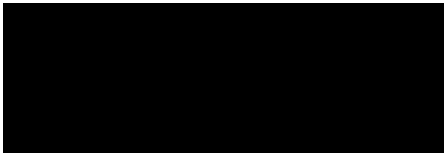
The 2017/18 Set Aside Budget for unscheduled care services consumed by your HSCP in Acute hospitals will remain at the same value as for 2016/17. During 2017/18 the Board will work with HSCPs and Scottish Government colleagues to review the basis for calculation and operation of the set aside budget.

The following items will be charged to the HSCP during 2017/18:

- A proportional share of the £3.6m unachieved savings from 2015/16 as agreed by the NHS Board at its meeting on 21 February 2017 (agreed by Chief Officers subject to individual Integrated Joint Board approval). Discussions will continue to determine how this can be resolved in future years;
- The HSCP's proportional share of the Apprenticeship Levy based on your HSCP's payroll cost; and
- The HSCP's proportional share of the annual cost arising from the change in accounting treatment of pre 2010 pension costs as the non recurring funding generated from this change was used to provide non recurrent support to all service areas in 2016/17.

I hope this now enables the HSCP to finalise its financial plans for 2017/18.

Yours sincerely



**James Hobson**  
Assistant Director of Finance  
NHS Greater Glasgow and Clyde

## Schedule 1

### Inverclyde HSCP Allocation 2017/18

	<b>Inverclyde HSCP £'000</b>
Opening Budget - Community, MH & Contracted Services	60,220
GP Prescribing	18,105
Add :	
Hospices & Additional Resource Transfer	107
Oral Health - Secondary Care	
Social Care Funding	1,760
Finance Staff	47
Other Recurring Allocations	-403
Public Dental Service - (Non Rec)	
Other Non Recurring allocations	510
Veterans/ Carers (Non Rec)	120
<b>Revised Opening Allocation</b>	<b>80,465</b>
Set Aside budget	16,439
<b>Total Allocation</b>	<b>96,904</b>

## **IJB PROPOSED BUDGET 2017/18**

### **FINANCIAL APPENDICES - B**

B1	Summary Budget
B2	Social Care Budget
B2a	Council Funding Reduction calculation
B3	Social Care Pressures
B4	Social Care Savings
B5	Health Budget
B6	Health Pressures
B7	Health Savings
B8	Directions
B9	Social Care Fund
B10	Earmarked Reserves

**INVERCLYDE HSCP****PROPOSED REVENUE BUDGET 2017/18**

<b>SUBJECTIVE ANALYSIS</b>	Budget 2016/17 £000	Other Budget Movements/ Pressures £000	Previously Agreed/ Proposed Savings £000	Proposed Budget 2017/18 £000
Employee Costs	48,024	989	(637)	48,377
Property Costs	1,217	0	0	1,217
Supplies & Services, Transport, Admin & PTOB	65,392	1,613	(1,144)	65,861
Prescribing	17,983	122	0	18,105
Resource Transfer (Health)	0	0	0	0
Income	(5,859)	0	(14)	(5,873)
Unidentified Savings	0	0	0	0
Unallocated Funds	737	(580)		157
Set Aside	16,439	0	0	16,439
Hosted Services	5,919	0	0	5,919
	<b>149,853</b>	<b>2,144</b>	<b>(1,795)</b>	<b>150,203</b>

<b>OBJECTIVE ANALYSIS</b>	Budget 2016/17 £000	Other Budget Movements/ Pressures £000	Previously Agreed/ Proposed Savings £000	Proposed Budget 2017/18 £000
Planning, Health Improvement & Commissioning	2,826	(256)	(130)	2,440
Older Persons	26,199	1,563	(14)	27,748
Learning Disabilities	11,175	(424)	(272)	10,479
Mental Health - Communities	5,739	42	(28)	5,753
Mental Health - Inpatient Services	8,773	0	(112)	8,662
Children & Families	13,565	50	(495)	13,119
Physical & Sensory	2,674	0	(28)	2,646
Addiction / Substance Misuse	3,459	0	0	3,459
Assessment & Care Management / Health & Community	6,329	0	(186)	6,143
Support / Management / Admin	4,276	176	(420)	4,032
Criminal Justice / Prison Service **	0	0	0	0
Homelessness	834	0	(10)	824
Family Health Services	21,571	0	0	21,571
Prescribing	17,983	122	0	18,105
Resource Transfer	(0)	0	0	(0)
Change Fund	1,356	0	(100)	1,256
Unidentified Savings				0
Unallocated Funds	737	872	0	1,609
<b>HSCP NET EXPENDITURE (DIRECT SPEND)</b>	<b>127,495</b>	<b>2,145</b>	<b>(1,795)</b>	<b>127,845</b>
Set Aside	16,439	0	0	16,439
Hosted Services	5,919	0	0	5,919
<b>HSCP NET EXPENDITURE</b>	<b>149,853</b>	<b>2,145</b>	<b>(1,795)</b>	<b>150,203</b>

\*\* Fully funded from external income hence nil bottom line position.

<b>PARTNERSHIP FUNDING/SPEND ANALYSIS</b>	Budget 2016/17 £000	Other Budget Movements/ Pressures £000	Previously Agreed/ Proposed Savings £000	Proposed Budget 2017/18 £000
Social Care Fund	4,449	1,880	0	6,329
NHS Contribution to the IJB	96,625	(131)	0	96,494
Council Contribution to the IJB	48,779	(769)	(630)	47,380
<b>HSCP NET INCOME</b>	<b>149,853</b>	<b>980</b>	<b>(630)</b>	<b>150,203</b>
NHS Expenditure on behalf of the IJB	96,626	1,034	(1,165)	96,494
Council Expenditure on behalf of the IJB	53,227	1,111	(630)	53,709
<b>HSCP NET EXPENDITURE</b>	<b>149,853</b>	<b>2,145</b>	<b>(1,795)</b>	<b>150,203</b>
<b>HSCP SURPLUS/(DEFICIT)</b>	<b>0</b>	<b>(1,165)</b>	<b>1,165</b>	<b>0</b>

**SOCIAL WORK****PROPOSED REVENUE BUDGET 2017/18**

2016/17 Outturn £000	SUBJECTIVE ANALYSIS	Budget 2016/17 £000	Other Budget Movements/ Pressures £000	Previously Approved Savings £000	Proposed Budget 2017/18 £000
	<b>SOCIAL WORK</b>				
26,797	Employee Costs	26,018	580	(10)	26,588
1,449	Property costs	1,212			1,212
1,083	Supplies and Services	811			811
446	Transport and Plant	380			380
871	Administration Costs	748		(9)	739
37,614	Payments to Other Bodies	37,359	1,268	(597)	38,030
(9,360)	Resource Transfer	(9,360)	(157)		(9,517)
	Unallocated Costs	737	(579)		158
(6,005)	Income	(4,679)		(14)	(4,693)
<b>52,895</b>	<b>SOCIAL WORK NET EXPENDITURE</b>	<b>53,227</b>	<b>1,112</b>	<b>(630)</b>	<b>53,709</b>

2016/17 Outturn £000	OBJECTIVE ANALYSIS	Budget 2016/17 £000	Other Budget Movements/ Pressures £000	Previously Approved Savings £000	Proposed Budget 2017/18 £000
	<b>SOCIAL WORK</b>				
2,132	Planning, Health Improvement & Commissioning	2,041	(256)		1,785
27,527	Older Persons	26,199	1,563	(14)	27,748
10,523	Learning Disabilities	10,673	(424)	(272)	9,977
3,050	Mental Health	3,154	42		3,196
10,296	Children & Families	10,735	50	(297)	10,488
2,714	Physical & Sensory	2,674		(28)	2,646
1,559	Addiction / Substance Misuse	1,613			1,613
2,133	Business Support	2,240	176	(9)	2,407
1,407	Assessment & Care Management	1,688			1,688
55	Criminal Justice / Scottish Prison Service	0			0
	Change Fund	0			0
859	Homelessness	834		(10)	824
(9,360)	Resource Transfer	(9,360)	(157)		(9,517)
	Carried Forward to Reserves	0			0
	Unallocated SCF	737	(737)		0
	Unallocated Budget Changes		854		854
<b>52,895</b>	<b>SOCIAL WORK NET EXPENDITURE</b>	<b>53,228</b>	<b>1,111</b>	<b>(630)</b>	<b>53,709</b>

2016/17 Outturn £000	COUNCIL CONTRIBUTION TO THE IJB	Budget 2016/17 £000	Other Budget Movements/ Pressures £000	Previously Approved Savings £000	Proposed Budget 2017/18 £000
<b>52,407</b>	<b>Council Contribution to the IJB</b>	<b>48,779</b>	<b>(769)</b>	<b>(630)</b>	<b>47,380</b>

<b>4,449</b>	<b>Balance to be funded by the SCF</b>	<b>4,449</b>	<b>1,880</b>		<b>6,329</b>
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## EXTRACT FROM COUNCIL PAPER FIN/10/17/AP/CM - 16 February 2017

**Proposed Council Contribution to IJB - 2017/18**1. Minimum amount Council can pay per SG/Cosla guidance

	£m
2016/17 Contribution	48.768
less: Share of £80 million	<u>(1.410)</u>
	<u>47.358</u>

2. 2017/18 Proposed Contribution

	£m	
2017/18 Base Budget per Appendix 3	48.231	
Add: Estimated allowance for : Pay Award	0.310	
: Apprenticeship Levy	0.130	
: Auto-enrolment	<u>0.140</u>	
	48.811	Note 1
Contribution per 1 above plus £21,600 for costs transferred from the Common Good	<u>47.380</u>	
Amount met by IJB Social Care Fund	1.431	Note 2

## Notes

- Over and above this the IJB will fund the first 4% of the National Care Home Contract 2017 uplift, cost of Providers uplifts relating to the Living Wage plus other cost pressures
- After this contribution and other allowances there remains £479,000 for recurring pressures/projects within the Social Care Fund held by the IJB

**INVERCLYDE HEALTH & SOCIAL CARE PARTNERSHIP****APPENDIX B3****Social Care Anticipated Budget Pressures**

Description	2017/18 £000	Funded By	
		Council £000	SCF £000
Pay Award, Apprenticeship Levy & Pensions Auto Enrolment	580	580	
Full Year Effect of 2016/17 Living Wage & NCHC Changes	546		546
2017/18 Living Wage Uplift	476		476
2017/18 NCHC Inflation Uplift	430		430
Estimated Demographic and other cost pressures	496		496
Offset by one off and unallocated SCF spend in 2016/17	(1,417)		(1,417)
<b>Total Estimated Social Care Budget Pressures 2017/18</b>	<b>1,111</b>	<b>580</b>	<b>531</b>



**INVERCLYDE HEALTH & SOCIAL CARE PARTNERSHIP****APPENDIX B4****Social Care Savings Targets approved pre Integration by Inverclyde Council**

Saving Ref	Title	2017/18 £000
<b><u>Approved February 2015:</u></b>		
CHCP\SR\B\CORP\01	Reduce Management Structure by 1 Manager (0.5FTE)	10
CHCP\RS\A\CFCJ\05	Residential Schools Purchased Placements	200
<b><u>Approved November 2015:</u></b>		
b)	4 Major commissioned Social Care Services	122
d)	Commissioned Services within Physical Disability	28
	Income Inflation	14
	Loan charges reduction for residential schools	97
	Learning Disability Review - John St/Caladh House	150
	Software maintenance	9
<b>Total Social Care Savings for 2017/18 agreed pre Integration</b>		<b>630</b>

**HEALTH****PROPOSED REVENUE BUDGET 2016/17**

2016/17 Outturn £000	SUBJECTIVE ANALYSIS	Budget 2016/17 £000	Other Budget Movements/ Pressures £000	Proposed Savings £000	Proposed Budget 2017/18 £000
	<b>HEALTH</b>				
22,379	Employee Costs	22,006	409	(627)	21,789
10	Property	5			5
4,190	Supplies & Services	4,523	345	(538)	4,330
22,692	Family Health Services (net)	21,571			21,571
18,136	Prescribing (net)	17,983	122		18,105
9,360	Resource Transfer	9,360	157		9,517
	Unallocated Funds/(Savings)	0			0
(2,038)	Income	(1,181)			(1,181)
<b>74,729</b>	<b>HEALTH DIRECT NET EXPENDITURE</b>	<b>74,267</b>	<b>1,033</b>	<b>(1,165)</b>	<b>74,136</b>
16,439	Set Aside	16,439			16,439
5,917	Net Hosted Services	5,919			5,919
<b>97,085</b>	<b>HEALTH NET EXPENDITURE</b>	<b>96,625</b>	<b>1,033</b>	<b>(1,165)</b>	<b>96,494</b>

2016/17 Outturn £000	OBJECTIVE ANALYSIS	Budget 2016/17 £000	Other Budget Movements/ Pressures £000	Proposed Savings £000	Proposed Budget 2017/18 £000
	<b>HEALTH</b>				
2,683	Children & Families	2,830		(198)	2,631
4,624	Health & Community Care	4,641		(186)	4,455
1,387	Management & Admin	2,036		(411)	1,625
505	Learning Disabilities	502			502
1,787	Addictions	1,846			1,846
2,698	Mental Health - Communities	2,585		(28)	2,557
9,543	Mental Health - Inpatient Services	8,773		(112)	8,662
860	Planning & Health Improvement	785		(130)	655
1,347	Change Fund	1,356		(100)	1,256
21,800	Family Health Services	21,571			21,571
18,136	Prescribing	17,983	122		18,105
	Unallocated Funds/(Savings)	0	754		754
9,360	Resource Transfer	9,360	157		9,517
<b>74,729</b>	<b>HEALTH DIRECT NET EXPENDITURE</b>	<b>74,267</b>	<b>1,033</b>	<b>(1,165)</b>	<b>74,136</b>
16,439	Set Aside	16,439			16,439
5,917	Net Hosted Services	5,919			5,919
<b>97,085</b>	<b>HEALTH NET EXPENDITURE</b>	<b>96,625</b>	<b>1,033</b>	<b>(1,165)</b>	<b>96,494</b>

2016/17 Outturn £000	HEALTH CONTRIBUTION TO THE IJB	Budget 2016/17 £000	Other Budget Movements/ Pressures £000	Proposed Savings £000	Proposed Budget 2017/18 £000
4,449	Social Care Fund	4,449	1,880		6,329
<b>97,084</b>	<b>NHS Contribution to the IJB</b>	<b>96,625</b>	<b>(131)</b>		<b>96,494</b>
<b>95,616</b>	<b>TOTAL ALLOCATION (excl Hosted)</b>	<b>95,155</b>	<b>1,749</b>	<b>0</b>	<b>96,904</b>
<b>101,533</b>	<b>TOTAL ALLOCATION (incl Hosted)</b>	<b>101,074</b>	<b>1,749</b>	<b>0</b>	<b>102,823</b>

**INVERCLYDE HEALTH & SOCIAL CARE PARTNERSHIP****APPENDIX B6****Health Anticipated Budget Pressures**

HSCP Budget Pressure Description	Inverclyde Budget Pressures 2017/18 £000
Pay Award, Apprenticeship Levy & Pensions Auto Enrolment	318.3
Other inflation, incl RT Uplift	89.2
Prescribing Uplift	122.0
Pensions Costs	90.9
Continuing Care Beds - 16/17 c/fwd saving	44.0
Carried Forward 2015/16 Partnership Savings (45% of £7.8m GG&C wide)	263.0
<b>Inverclyde Health Budget Pressures 2017/18</b>	<b>927.4</b>

Variance from Indicative Budget Agreed March 2017	(Increase)/Decrease from Indicative Budget £000
<b>Estimated Budget Pressures per Indicative Budget - March 2017</b>	<b>1,521.9</b>
Pay Award, Apprenticeship Levy & Pensions Auto Enrolment	47.0
Capped RT uplift to £50k (£109.1k removed from pressures and savings)	109.1
Prescribing Uplift	489.7
Pensions Costs	0.0
Continuing Care Beds - 16/17 c/fwd saving	-44.0
Carried Forward 2015/16 Partnership Savings (45% of £7.8m GG&C wide)	-7.3
<b>Variance from Estimated Indicative to Proposed 2017/18 Health Budget</b>	<b>594.5</b>

**INVERCLYDE HEALTH & SOCIAL CARE PARTNERSHIP**  
**Proposed Revised Health Savings 2017/18**

Ref	HOS	Team	Generic Saving Description	Saving Type	RAG	PY 2017/18	FY 2017/18	Staffing 2017/18	WTE 2017/18	PY Decrease since Indicative Budget	FY Decrease since Indicative Budget	Expected delivery date
H17-018	Children & Families	Specialist Childrens Services	Removal of Vacant posts, Early Retirals and filling vacancies at lower grades	Efficiency	G	20,600	21,600	21,600	0.85	(750)	0	01/05/17
H17-021	Children & Families	Childrens Community	Remodel School Nursing Service	Service Reduction	A	0	176,600	176,600	6.53	(103,000)	0	TBC
H17-026	Mental Health	MH Inpatients	Removal of Vacant posts, Early Retirals and filling vacancies at lower grades	Efficiency	G	15,500	61,600	61,600	1.00	(21,500)	(12,400)	31/12/17
H17-029	Planning & Health Improvement	Planning & Health Improvement	Removal of Vacant posts, Early Retirals and filling vacancies at lower grades	Service Reduction	G	32,500	130,000	129,000	3.00	(32,500)	0	30/09/17
H17-031	Planning & Health Improvement	Business Support	Reduce number of current postholders	Service Reduction	G	30,000	39,000	39,000	3.10	(40,000)	(40,000)	01/04/17
H17-033	Health & Community Care	Adult Community Services	Reduce Commissioned Service	Efficiency	G	12,000	12,000			0	0	Delivered
H18-001	Management	Management	Reduce Resource Transfer Uplift - removed from pressure & saving	Efficiency	G	0	0	0	0.00	(109,100)	(109,100)	Removed
H18-002	Various	Various	Income growth	Income Growth	G	169,500	339,000	0	0.00	0	0	30/09/17
H18 - 004	Mental Health	MH Inpatients	Improved efficiency achieved in 2016/17	Efficiency	G	50,000	50,000	0	0.00	0	0	01/04/17
H18-005	Mental Health	MH Community	Service Review/Reduction	Service Reduction	G	25,000	25,000	25,000	1.00	0	0	01/04/17
H18-007	Health & Community Care	Adult Community Services	Service Review/Reduction	Service Reduction	G	70,000	140,000	140,000	???	0	0	???
H18-009	Mental Health	Addictions	Service Review/Reduction	Efficiency	G	???	???	???	???	???	???	???
H18-012	Health & Community Care	Adult Community Services	Service Review/Reduction	Service Reduction	G	???	???	???	???	???	???	???
H18-013	Health & Community Care	Adult Community Services	Removal of Vacant posts, Early Retirals and filling vacancies at lower grades	Efficiency	G	33,700	33,700	33,700	0.55	0	0	01/04/17
H18-015	Management	Various	Reduce VAT Liability	Efficiency	G	33,300	33,300	0	0.00	0	0	01/04/17
H18-016	Management	Integrated Care Fund	Reduce Non Pay Budget	Efficiency	G	100,000	100,000	0	0.00	0	0	Delivered
Full Year Impact of Savings agreed 2016/17						G	3,100	3,100	0	0.00	0.00	Delivered
							<b>595,200</b>	<b>1,164,900</b>	<b>626,500</b>	<b>16.03</b>	<b>(306,850)</b>	<b>(161,500)</b>

Totals per Indicative Budget Agreed March 2017  
Variance Increase/(Decrease) in savings total

<b>902,050</b>	<b>1,326,400</b>
<b>(306,850)</b>	<b>(161,500)</b>

2017/18 Health Savings Target

<b>927,400</b>	<b>927,400</b>
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Savings Gap Still to be identified/  
(Early Savings for future years)

	<b>(237,500)</b>
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Non Recurring Cash Shortfall on Savings

<b>332,200</b>	<b>731,200</b>
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Other Saving Options not included above

Review of ADP structure (incl above not costed)

Review of Continuing Care beds (incl above not costed)

Take more from ICF

**INVERCLYDE INTEGRATION JOINT BOARD**

**DIRECTION**

ISSUED UNDER S26-28 OF THE PUBLIC BODIES (JOINT WORKING)  
 (SCOTLAND) ACT 2014

**THE INVERCLYDE COUNCIL** is hereby directed to deliver for the Inverclyde Integration Joint Board (the IJB), the services noted below in pursuance of the functions noted below and within the associated budget noted below.

Services will be provided in line with the IJB's Strategic Plan and existing operational arrangements pending future directions from the IJB.

Services: All services listed in Annex 2, Part 2 of the Inverclyde Health and Social Care Partnership Integration Scheme.

Functions: All functions listed in Annex 2, Part 1 of the Inverclyde Health and Social Care Partnership Integration Scheme.

Associated Budget:

<b>SUBJECTIVE ANALYSIS</b>	Budget 2017/18 £000
<b>SOCIAL WORK</b>	
Employee Costs	26,588
Property costs	1,212
Supplies and Services	811
Transport and Plant	380
Administration Costs	739
Payments to Other Bodies	38,030
Income (incl Resource Transfer)	(14,210)
Unallocated Funds	158
<b>SOCIAL WORK NET EXPENDITURE</b>	<b>53,709</b>

<b>OBJECTIVE ANALYSIS</b>	Budget 2017/18 £000
<b>SOCIAL WORK</b>	
Planning, Health Improvement & Commissioning	1,785
Older Persons	27,748
Learning Disabilities	9,977
Mental Health	3,196
Children & Families	10,488
Physical & Sensory	2,646
Addiction / Substance Misuse	1,613
Business Support	2,407
Assessment & Care Management	1,688
Criminal Justice / Scottish Prison Service	0
Change Fund	0
Homelessness	824
Unallocated Budget Changes	854
Resource Transfer	(9,517)
<b>SOCIAL WORK NET EXPENDITURE</b>	<b>53,709</b>

This direction is effective from 12 September 2017

## INVERCLYDE INTEGRATION JOINT BOARD

### DIRECTION

ISSUED UNDER S26-28 OF THE PUBLIC BODIES (JOINT WORKING)  
(SCOTLAND) ACT 2014

**GREATER GLASGOW & CLYDE NHS HEALTH BOARD** is hereby directed to deliver for the Inverclyde Integration Joint Board (the IJB), the services noted below in pursuance of the functions noted below and within the associated budget noted below.

Services will be provided in line with the IJB's Strategic Plan and existing operational arrangements pending future directions from the IJB.

Services: All services listed in Annex 1, Part 2 of the Inverclyde Health and Social Care Partnership Integration Scheme.

Functions: All functions listed in Annex 1, Part 1 of the Inverclyde Health and Social Care Partnership Integration Scheme.

Associated Budget:

SUBJECTIVE ANALYSIS	Budget 2017/18 £000	OBJECTIVE ANALYSIS	Budget 2017/18 £000
<b>HEALTH</b>		<b>HEALTH</b>	
Employee Costs	21,789	Children & Families	2,631
Property costs	5	Health & Community Care	4,455
Supplies and Services	4,330	Management & Admin	1,625
Transport and Plant	21,571	Learning Disabilities	502
Administration Costs	18,105	Addictions	1,846
Payments to Other Bodies	9,517	Mental Health - Communities	2,557
Income	(1,181)	Mental Health - Inpatient Services	8,662
<b>HEALTH DIRECT NET EXPENDITURE</b>	<b>74,136</b>	Planning & Health Improvement	655
Social Care Fund (SCF)	6,329	Change Fund	1,256
Set Aside	16,439	Family Health Services	21,571
Hosted Services (net)	5,919	Prescribing	18,105
<b>HEALTH NET EXPENDITURE</b>	<b>102,823</b>	Unallocated Funds/(Savings)	754
		Resource Transfer	9,517
		<b>HEALTH DIRECT NET EXPENDITURE</b>	<b>74,136</b>
		Social Care Fund (SCF)	6,329
		Set Aside	16,439
		Net Hosted Services	5,919
		<b>HEALTH DIRECT NET EXPENDITURE</b>	<b>102,823</b>

This direction is effective from 12 September 2017

**Social Care Fund - Planned Spend**

<b>Proposed use of the Social Care Fund</b>	<b>PLANNED SPEND 2017/18 £m</b>
<b>Demand Growth/Charging/Additionality</b>	
Social Care demand growth and other pressures the Council agreed would funded through SCF	1.269
Charging Thresholds on non residential services	0.110
Dementia Strategy	0.115
<b>TOTAL Demand Growth/Charging/Additionality</b>	<b>1.494</b>
<b>Living Wage/Other Cost Pressures</b>	
Living Wage, including NCHC inflation and sleepover rate changes	2.632
IJB Specific costs eg SLA for Audit and Legal Services and External Audit Fee	0.070
John Street costs (one off 2016/17 only)	0.000
Mental Health Officer new post	0.048
Patient/Client Transport Coordinator Role (Fixed Term 2 years)	0.000
Legal Fees Relating to Adoption and Fostering and Adult Services	0.100
Equipment Investment (one off)	0.000
Childrens Residential Accommodation - External Placements	0.050
Qualified Social Workers	0.111
MH Commissioning	0.003
Independent Living Service - Equipment Budget	0.100
Estimated Demographic and other cost pressures	0.290
Inverclyde Council's agreed reduction in IJB funding in line with Scottish Government stipulation on funding reduction limits	1.431
<b>TOTAL Living Wage/Other Cost Pressures</b>	<b>4.835</b>
<b>TOTAL PROPOSED SCF SPEND</b>	<b>6.329</b>
<b>TOTAL SCF FUNDING</b>	<b>6.329</b>
<b>TOTAL Balance of funds currently proposed to c/fwd to Reserves</b>	<b>0.000</b>

**EARMARKED RESERVES  
INVERCLYDE HSCP**

**APPENDIX 10**

<b>Project</b>	<b><u>Total</u> Earmarked Reserves <u>C/Fwd into 2017/18</u></b>
	<b><u>£000</u></b>
Self Directed Support/SWIFT Finance Module	43
Growth Fund - Loan Default Write Off	26
Integrated Care Fund/Delayed Discharge	756
Support all Aspects of Independent Living	0
Veterans Officer Funding	27
CJA Preparatory Work	65
Welfare Reform - HSCP	43
Deferred Income	27
John Street	56
Adoption/Fostering/Residential Childcare	554
New Ways	220
Patient/Client Transport Coordinator Role (FT 2 years)	70
SWIFT Replacement Project	118
Funding to cover timing delay in delivery of 17/18 savings	620
Residential & Nursing Placements	250
C&F Adoption, Fostering Residential Budget Smoothing	376
Social Care in year underspend	272
Social Care Fund 16/17 C/fwd	316
LD - Integrated Team Leader (FT 2 years)	121
<b>Total</b>	<b>3,960</b>